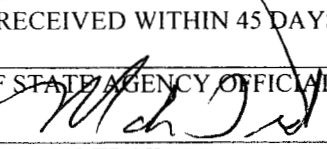
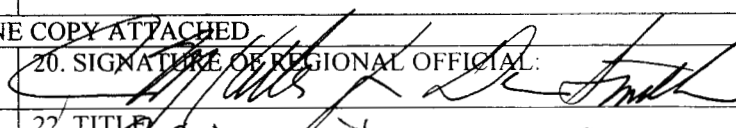


<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>		1. TRANSMITTAL NUMBER: 0 4 - 0 0 5	2. STATE GEORGIA
<b>FOR: HEALTH CARE FINANCING ADMINISTRATION</b>		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE July 1, 2004	
5. TYPE OF PLAN MATERIAL (Check One):  <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR 447.250		7. FEDERAL BUDGET IMPACT: a. FFY      2004      \$ (2,033,387) b. FFY      2005      \$ (8,133,547)	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  Attachment 4.19-D, page 49		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):  Attachment 4.19-D, page 49	
10. SUBJECT OF AMENDMENT:  NURSING HOME SERVICES			
11. GOVERNOR'S REVIEW (Check One): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> OTHER, AS SPECIFIED: <input checked="" type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO:  Department of Community Health Medical Assistance Plans 2 Peachtree Street, N.W. Atlanta, Georgia 30303-3159	
13. TYPED NAME: MARK TRAIL			
14. TITLE: CHIEF, MEDICAL ASSISTANCE PLANS			
15. DATE SUBMITTED: July 1, 2004			
<b>FOR REGIONAL OFFICE USE ONLY</b>			
17. DATE RECEIVED: JUL - 6 2004		18. DATE APPROVED: SEP 21 2004	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: JUL - 1 2004		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: Carmen Keller		22. TITLE: Deputy Director, CM50	
23. REMARKS:			

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES –  
NURSING FACILITY SERVICES

Effective for dates of service on and after July 1, 2004, the payment method for nursing home services is modified as follows:

- The standard per diem for dietary costs for the Hospital Based Facilities peer group is reduced from the 90th percentile to the 60th percentile.
- The growth allowance used to compute reimbursement rates is reduced from 6.4% to 6.16%.

TN No. 04-005  
Supersedes  
TN No. 03-009

Approval Date SEP 21 2004 Effective Date JUL - 1 2004